

**EFFECTIVE**

January 1, 2009.

**SUBJECTS**

1. RSDI/SSI annual update.
  - Application of policy.
  - Update calendar desk aid.
  - Medicare premium.
2. Revised limits and allowances.
  - Community spouse income allowances.
  - Spousal support referrals.
  - Divestment.
  - Other January MA limits and amounts.
  - AMP special living arrangement.
  - January MA limits.
3. MA policy changes.
  - Request for assistance.
  - Who may be an authorized representative - MA only.
  - Enrollment.
  - Hearings.
  - SDA and MA Only (MRT).
  - Department policy.
  - Referrals to Medicaid Eligibility Policy Section.
  - LLC and S-Corps documents.
  - Resource Types.
4. CDC policy changes.
  - Effective date of change.
5. All Programs (except Healthy Kids)
  - Verification of self-employment expenses.
  - Reporting changes.
6. FAP policy changes.
  - Refusal to provide/declare alien status.
  - Concurrent receipt of benefits.
  - Cooling.
  - Case Actions.
  - Adjustment of FAP review date.
7. Annual statements.
  - DHS-1241, Client Annual Statement.
  - CDC Recipient Statement (CH-280).
  - Day Care Aide Provider Statement (CH-290).
  - Mailing of IRS Form 1099 Misc. to relative care, child care centers, family and group home providers.
8. SSI payment levels update.

9. Miscellaneous
  - Writing style corrections.

**Attachments**

- Client notice: DHS-111-32, Patient Pay Amount Increase (front and back).
- Client notice; DHS-4066, Notice to Recipients of Food Assistance, Family Independence Program, State Disability Assistance (SDA), and Special Program Assistance (front and back).
- CDC Recipient Statement (CH-290, DHS-505).
- IRS Form 1099 Misc. to relative care, child care centers, family and group home providers (Copy 2 and Instructions).

**1)RSDI/SSI ANNUAL  
UPDATE****FIP, SDA, RAP, REP, MA, FAP**

The annual RSDI/SSI update is scheduled for December 13, 2008. The cost-of-living (COLA) increase for benefits in January 2009 is 5.8%.

**Application of  
Policy**

Cases not automatically updated must be manually updated no later than February 13, 2009.

A special exception report for cases that have been converted to BRIDGES will be distributed to local offices that have active BRIDGES cases.

**Update Calendar  
Desk Aid**

An update calendar listing deadline dates is attached to this bulletin.

**Medicare Premium****MA**

The standard Part B Medicare premium will not change. It will remain \$96.50.

**2) REVISED LIMITS  
AND ALLOWANCES****Community  
Spouse Income  
Allowances****MA****BEM 546**

See BAM 904 about manual updates to post-eligibility patient-pay amounts. Use the new heat and utility allowance and the new maximum if the month being tested is January 2009 or later.

**Spousal/  
Parental Support  
Referrals****MA****BEM 256**

New minimum income and asset amounts apply to screening clients for referral.

**Divestment****MA****BEM 405**

The average monthly LTC cost used to compute divestment penalties has been updated. Use the new amount if the person's baseline date is January 1, 2009 or later. Use the previous amounts for earlier dates.

**Other January MA  
Limits and  
Amounts****MA****BEM 155, 164, 170, 171, 402, 540, 541; RFT 241, 245, 247**

Use the following new amounts to determine MA eligibility for months beginning January 2009. If the month being tested is before January 2009, use the amount in effect for the month being tested.

- Special Protected Income Levels - RFT 245.
- Remedial services allowance - RFT 241.
- Minimum and maximum protected spousal amounts - BEM 402.
- Allocation and parental deeming - BEM 540, 541; RFT 247.
- Conversion numbers for 503 Individuals - BEM 155.
- Home care children - BEM 170.
- Extended-care and Children's Waiver - BEM 164, 171.

**AMP Special  
Living  
Arrangement****AMP****RFT 236**

Use the new limits if the month being tested is January 2009 or later.

**January MA Limits****MA****BEM 546**

The monthly shelter standard and basic allowance used to compute the community spouse income allowance and the family allowance increases effective January 1, 2009.

### 3) MA POLICY CHANGES

#### Request for Assistance

##### **BAM 110**

DCH-0373D, MIChild/Healthy Kids Application brochures are available in different languages.

*Reason:* Update policy.

#### Who May Be an Authorized Representative - MA Only

##### **BAM 110**

If unrelated adults that live in the same home apply for assistance, neither has the authority to act on the others behalf without written permission from the applicant.

*Reason:* Policy clarification.

#### Enrollment

##### **BAM 402**

Removed the extra "Barry" county listing from the Healthy Kids Dental county chart.

*Reason:* Duplication of county listing.

#### Hearings

##### **BAM 600**

Steps for processing rehearing reconsideration requests were updated along with the name change of AH to SOAHR (State Office of Administrative Hearings and Rules).

*Reason:* Policy clarification.

**SDA and MA Only  
(MRT)****BAM 815**

MRT will not accept electronic medical records such as DVD's and CD's.

*Reason:* Policy clarification.

**Department Policy****BEM 110**

Added link to Exhibit 1 LIF Group Composition.

*Reason:* Link needed to assist with policy clarification.

**BEM 640**

AMP opening requests sent to Central Office should contain the following information: Client name, case number, ReDt date, begin date, scope and citizenship code.

*Reason:* Policy clarification.

**Referrals to  
Medicaid Eligibility  
Policy Section****BEM 401**

Updated mailing address for Trusts and Annuities.

*Reason:* Trusts and annuities must be sent to a new office.

**LLC and  
S-Corps  
Documents****BEM 401**

Limited liability Corporations (LLC) and S-Corps documents are not sent to the Medicaid Eligibility Policy section for evaluation.

*Reason:* Policy clarification.

**Resources Types****FIP, MA****BEM 257**

Medicare Part B is not mandatory to pursue as a potential resource.

Policy clarification.

**4) CDC policy  
changes****Effective Date of  
Change****BAM 220**

A change in providers is considered a positive change. If the provider change is reported timely (within 10 calendar days), the positive action date is the day the change occurred or is expected to occur. If the change is reported late, the positive action date would be the day the change was reported.

*Reason:* Clarification.

**5) ALL PROGRAMS  
EXCEPT HEALTHY  
KIDS****Verification of Self-  
employment  
Expenses****BEM 500**

Receipts are required to allow self-employment expenses when clients claim actual expenses higher than the standard (e.g., 25%, 60%, etc.)

*Reason:* Local office request for clarification.

**Reporting  
Changes****BAM 105, 116; BEM 505, 610**

Clients must report income-related changes (e.g., starting/stopping, change in hours/rate of pay, etc.) within 10 days of receiving the first payment reflecting the change.

*Old Policy:* Clients were required to report changes within 10 days of the start date of their employment or after they became aware of them.

## 6) FAP POLICY CHANGES

### Alien Status

### Refusal to Provide/ Declare Alien Status

## FIP, SDA AND FAP

### BEM 225

An example is added to policy to reiterate that specialists must require verification of alien status for only the persons for whom they are requesting benefits. If clients choose not to apply for benefits for themselves, do not require proof of their status or social security number. Disqualify the client(s) and budget their income and assets as appropriate based on the program(s) for which they are applying.

*Reason:* Policy clarification.

### Concurrent Receipt of Benefits

## FAP

### BEM 222

An out-of-state inquiry is required when a FAP applicant arrives from another state within 30 days of application.

*Reason:* Payment accuracy.

### Cooling

## FAP

### BEM 554, FAP Allowable Expenses Desk-Aid



Allow the heat-utility standard for FAP groups which have a heating or cooling (including a room air conditioner) expense or contributes to the heating or cooling expense separate from rent, mortgage/condominium/maintenance payments.

Accept the client's statement as verification they have a cooling expense.

*Reason:* Clarification.

## Case Actions

### FAP

#### Adjustment of FAP Review Date

#### BAM 220

Use of the review date is eliminated in Bridges.

## 7) ANNUAL STATEMENTS

Every January recipients and providers are sent annual statements which itemize the amount of cash assistance or provider payments received in the previous calendar year.

#### DHS-1241, Client Annual Statement

#### FIP, SDA, RAP or REP

#### BAM 904, RFF 1241

Each year, on or before January 31, the DHS 1241, Client Annual Statement, is sent to grantees who received benefits in the previous calendar year from FIP or SDA, or from the Refugee (RAP) or Repatriate Assistance Program (REP).

A copy of the annual statement sent to the client will be stored in the Bridges Correspondence history.

Use the following Step-by-Step instructions to issue a replacement client annual statement from Bridges when the original is lost, stolen, destroyed, or not received:

1. From the **Left Navigation** menu, select **Correspondence**, then **View History**.
2. In the **Search Criteria** section: enter the **Case Number**.
3. Enter a **Print Begin Date** and **Print End Date** to narrow the search results.
4. Select **1241 - Client Annual Statement**.
5. Click **Search**.

**Note:** Historical correspondence displays in the search Results area near the bottom of the page.

6. Click the radio button for the DHS-1241, Client Annual Statement.
7. Click **Next**.
8. Click **Preview** to view the contents of the correspondence sent to the client.
9. Click **Central Print** or **Local Print** to make a copy. Note: the initial DHS-1241 is sent to the client through Central Print. The DHS-1241 maintains the original address when reprinted so if the client moved, it is recommended the specialist local print and send it out using the new address.

## 8) SSI PAYMENT LEVELS UPDATED

### All Programs

#### RFT 248

The SSI payment levels chart has been updated with the 2009 SSI rates.

## 9) MISCELLANEOUS

### Writing Style Corrections

#### BEM/BAM as items are revised

The word “you” was removed throughout policy and replaced with more appropriate language.

*Reason:* Corrections needed to comply with rules of gender-bias.

## ATTACHMENTS

### Desk Aid - RSDI/SSI Annual Update Calendar

#### FIP, SDA, RAP, REP, MA, FAP

Date	Local Office Action
Scheduled for December 13, 2008.	Central office RSDI/SSI update of grants, FAP amounts and patient-pay amounts (PPA) performed.
Client notices - notification and hearing information.	DHS-1111-32, Patient-Pay Amount Increase. DHS-4066, Notice to Recipients of Food Assistance, FIP, State Disability Assistance (SDA) and special program assistance.
Starting day after automated update.	New PPAs entered on CIMS for January 2009 must reflect January RSDI increase.  Enter new RSDI amounts on CIMS.  Reports: <ul style="list-style-type: none"><li>• NB-220, MPS SDA/SLA Client Pay Report (distributed late November).</li><li>• XR-101, Annual RSDI/PPA Update Report.</li><li>• XR-102, FIP, SDA and AMP RSDI Update Report.</li><li>• XS-119, Food Assistance SSI/RSDI Update Report.</li></ul>
February 13, 2009.	Deadline to update cases not done automatically: FIP, SDA, AMP, RAP, REP, FAP and Non-LTC cases with RSDI. L/H cases not updated per XR-101. L/H cases with community spouse.
July 1, 2009.	CIMS generates MA-950 listing cases with PC code 09.  Effective date of lower post-eligibility PPA.

Date	Local Office Action
August 20, 2009.	Deadline to recompute post-eligibility PPA due to new community spouse and family allowances.
Details in PAM 904, RSDI/SSI cost of living increase updates (January).	

**Client Notice: DHS-  
1111-32, Patient  
Pay Amount  
Increase (Front)**

December 1, 2008

**PATIENT-PAY AMOUNT INCREASE**State of Michigan  
Department of Human Services

In January 2009, Social Security Benefits will increase. This increase may affect your Medicaid or medical aid case if you:

- Have a patient-pay amount, and
- Receive long-term care.

In January 2009, your patient-pay amount will go up by an amount equal to your Social Security increase. This is the only notice you will receive about the change. Manual policy references: PEM Items 500, 530, 541, 544, 545, 546, 630 and 635.

**SEE OTHER SIDE FOR YOUR RIGHTS**

DHS-1111-32 (Rev. 10-08) Previous edition obsolete.

Department of Human Services (DHS) will not discriminate against any individual or group because of race, religion, age, national origin, color, height, weight, marital status, sex, sexual orientation, gender identity or expression, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to a DHS office in your area

**DHS-1111-32  
(Back)**

If you think this change to your Medicaid/medical aid is not correct, you may ask for a meeting or a hearing.

- You may meet with your specialist and a manager. Contact your local Department of Human Services (DHS) office by phone, in person, or in writing to request a meeting.
- You may request a hearing within 90 days of December 16, 2008. However, a hearing will be granted only if the reason for your request is an incorrect patient-pay amount computation. A hearing request must be in writing and signed by you or an authorized person. You may choose anyone to represent you. However, if you want someone else to request a hearing for you or represent you at the hearing, that person must first have written authorization to do so unless that person is your spouse or your attorney. SOAHR (Administrative Hearings) must have proof that you authorized the person to request the hearing or a copy of the court order naming the person as your guardian or conservator. Otherwise, your hearing request will be denied. Send hearing requests to your local DHS office.
- If the hearing request is received before December 30, 2008, your patient-pay amount will be continued at the December 2008 amount at least until the hearing takes place. However, if the department's proposed action is upheld in the hearing decision, or the hearing request is withdrawn, or you or your authorized hearings representative do not appear for the hearing, you will be required to repay any assistance which you receive because of requesting this hearing.

DHS-1111-32 (Rev. 10-08) (Back)

**Client Notice: DHS-4066, Notice to Recipients of Food Assistance, FIP, State Disability Assistance (SDA), and Special Program Assistance (Front)**

**NOTICE TO RECIPIENTS OF FOOD ASSISTANCE (FAP), FAMILY INDEPENDENCE PROGRAM (FIP),  
STATE DISABILITY ASSISTANCE (SDA), AND SPECIAL PROGRAM ASSISTANCE**  
Department of Human Services

Benefits from Social Security (RSDI) and the federal portion of Supplemental Security Income (SSI) will increase in January. The increased income will affect your cash grant and/or food benefits.

If you receive food benefits and someone in your household receives RSDI or SSI, the increase may cause you to receive fewer food benefits or your food benefits will stop on or after January 1. For example, if your RSDI increases from \$500 to \$525, your food benefits may decrease by \$8.

If you receive FIP, SDA, Refugee Assistance (RAP) or Repatriate Program Assistance (REP), and someone in your assistance group receives RSDI, your grant **will** be reduced on or after January 1. If you receive SDA and someone in your group receives SSI, your grant **will** be reduced on or after January 1.

- If you receive FIP, RAP or REP and this increase causes your grant to be reduced to under \$10 but not less than \$1, you will continue to receive Medicaid but you will not receive a cash grant.
- If you receive FIP, RAP or REP and this increase causes your grant to be reduced to less than \$1, your grant will be cancelled.
- If you receive SDA and this increase causes your grant to be reduced to under \$10, but not less than \$1, you will not receive a cash grant. You will receive a separate notice if your Medicaid benefits are affected.
- If you receive SDA and your grant is reduced to less than \$1, your grant and Adult Medical Program, if any, will be cancelled.

This is the only notice of these changes that you will receive.

**SEE OTHER SIDE OF THIS NOTICE FOR YOUR RIGHTS**

DHS-4066 (Rev. 12-08) Previous edition obsolete.

**DHS-4066 (Back)****HEARING RIGHTS**

If you think this action is illegal, you may request a hearing within 90 days of this notice. To request a hearing, contact your specialist immediately. A hearing request for Food Assistance may be oral or in writing. For all other programs the request must be in writing. You may choose anyone to represent you. But if you want someone else to request a hearing for you or represent you at the hearing, that person must first have written authorization to do so unless that person is your attorney. SOAHR (Administrative Hearings) must have proof that you authorized the person to request the hearing, or a copy of a court order naming the person as your guardian or conservator. Otherwise your hearing request will be denied.

If you request a hearing because your benefits are reduced, your benefits will continue at the present level if: (1) the right to continued benefits is not waived; and (2) the hearing request is based on improper computation or misapplication or misinterpretation of law or regulations; and (3) the request reaches the department by the deadline date. For cash and food benefits, the deadline is the 11th day after your benefits are deposited to your EBT account.

If the department's proposed action is upheld in the hearing decision, or the hearing request is withdrawn, or you or your authorized hearings representative do not appear for the hearing, you will be required to repay the cash and/or food benefit overissuance.

Department of Human Services (DHS) will not discriminate against any individual or group because of race, religion, age, national origin, color, height, weight, marital status, sex, sexual orientation, gender identity or expression, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to a DHS office in your area.

"In accordance with Federal law and U.S. Department of Agriculture (USDA) and U.S. Department of Health and Human Services (HHS) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. Under the Food Stamp Act and USDA policy, discrimination is prohibited also on the basis of religion or political beliefs.

To file a complaint of discrimination, contact USDA or HHS. Write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TTY). Write HHS, Director, Office for Civil Rights, U.S. Department of Health and Human Services, Room 506-F, 200 Independence Avenue, S.W., Washington, D.C. 20201 or call (202) 619-0403 (voice) or (202) 619-3257 (TTY). USDA and HHS are equal opportunity providers and employers."

DHS-4066 (Rev. 12-08) (Back)

**CDC Recipient  
Statement  
(CH-280)**

CH-280

01/23/2009

1

JENNIFER M. GRANHOLM  
GOVERNORSTATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSINGISMAEL AHMED  
DIRECTOR

CASE:1 CDC

12315 ANY STREET  
ANY TOWNE MI, 48333CASE NUMBER  
T1234567AANNUAL STATEMENT  
PAYMENTS MADE FOR IN-HOME CHILD CARE

PRINTED BELOW IS THE TOTAL AMOUNT OF CHILD DAY CARE BENEFITS ISSUED  
ON YOUR BEHALF IN 2008 FOR CHILD CARE PROVIDED IN YOUR HOME.  
THIS AMOUNT MAY NOT HAVE COVERED YOUR ENTIRE COST FOR CHILD CARE.

PROVIDER NAME	PROVIDER ID NUMBER	CHILD DAY CARE PAYMENT
PROVIDER DAYCARE	1234567	\$1,406.13

THIS INFORMATION IS PROVIDED TO YOU TO HELP YOU MEET YOUR  
OBLIGATION AS AN EMPLOYER FOR SOCIAL SECURITY AND INCOME TAX  
WITHHOLDING. IF YOU HAVE ANY QUESTIONS ABOUT AN EMPLOYER'S  
OBLIGATION FOR SOCIAL SECURITY AND INCOME TAX WITHHOLDING,  
PLEASE CALL THE INTERNAL REVENUE SERVICE (IRS) AT 1-800-829-1040.

IF YOU HAVE ANY QUESTIONS ABOUT THE PAYMENT  
AMOUNT LISTED ON THIS NOTICE PLEASE CALL 1-800-444-5364.

Department of Human Services (DHS) will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, sexual orientation, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to a DHS office in your area.

235 SOUTH GRAND AVENUE • P.O. BOX 30037 • LANSING, MICHIGAN 48909  
www.michigan.gov • (517) 373-2035



**Day Care Aide  
Provider Statement  
(CH-290)**

CH-290

01/23/2009

1

JENNIFER M. GRANHOLM  
GOVERNORSTATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSINGISMAEL AHMED  
DIRECTORPROVIDER DAYCARE  
1234 MAIN STREET  
OUR TOWN MI, 48111SOCIAL SECURITY NUMBER  
362800805  
PROVIDER ID NUMBER  
1234567ANNUAL STATEMENT  
PAYMENT MADE FOR IN-HOME CARE YOU PROVIDED

LISTED BELOW IS THE TOTAL AMOUNT OF CHILD DAY CARE PAYMENTS PAID IN CALENDAR YEAR 2008 FOR CHILD CARE YOU PROVIDED ON BEHALF OF A CHILD WHO RECEIVED CHILD DEVELOPMENT AND CARE BENEFITS. PAYMENT FOR IN-HOME CARE IS MADE WITH A CHECK PAYABLE TO THE PARENT OF THE CHILD YOU PROVIDED CARE FOR. THE CHECK IS MAILED TO THE PARENT WHO EMPLOYS YOU.

CASE NAME	CHILD DAY CARE PAYMENT
CASE1 CDC	\$1,406.13
CASE2 CDC	\$141.93

IF YOU ALSO PROVIDED CHILD DAY CARE IN YOUR OWN HOME AS A RELATIVE HOME, FAMILY HOME OR GROUP HOME PROVIDER, YOU WILL RECEIVE A SEPARATE STATEMENT (IRS FORM 1099) FROM DHS LISTING THE AMOUNT OF THOSE PAYMENTS.

IF YOU BELIEVE THE AMOUNT REPORTED ABOVE IS INCORRECT, FIRST CHECK WITH THE PARENT OF THE CHILD(REN) YOU CARED FOR. IF YOU STILL HAVE ANY QUESTIONS, PLEASE CALL 1-800-444-5364.

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www.michigan.gov • (517) 373-2035

**IRS Form 1099  
Misc. for CDC  
Relative Care,  
Child Care  
Centers, Family  
and Group Home  
Providers (Copy 2  
and Instructions)**

**MANUAL  
MAINTENANCE  
INSTRUCTIONS****Changed Items (content changes) ...**

**BAM 105  
BAM 110  
BAM 115  
BAM 116  
BAM 210  
BAM 220  
BAM 401E  
BAM 402  
BAM 406  
BAM 600  
BAM 700  
BAM 705  
BAM 710  
BAM 715  
BAM 720  
BAM 725  
BAM 800  
BAM 802  
BAM 805  
BAM 807  
BAM 815  
BEM 100  
BEM 110  
BEM 111  
BEM 125  
BEM 203  
BEM 205  
BEM 210  
BEM 222  
BEM 225  
BEM 257  
BEM 270  
BEM 400  
BEM 401  
BEM 500  
BEM 505  
BEM 519  
BEM 525  
BEM 545**

**BEM 554  
BEM 610  
BEM 615  
BEM 616  
BEM 630  
BEM 640  
BEM 647  
BEM 657  
BEM 702  
BEM 703  
BEM 704  
BEM 706**

**Changed Items (link changes only) ...**

**BAM 502  
BAM 505  
BEM 221  
BEM 232  
BEM 255  
BEM 515  
BEM 710**

**Deleted Items ...**

**BAM 908**